

## SALE OF CHECKS ACT

## LICENSE APPLICATION PROCEDURES (For FIS 1031)

The Commissioner of the Office of Financial and Insurance Services has determined that this application is available for public inspection or copying pursuant to the provisions of the Freedom of Information Act, PA 442 of 1976, MCL 15.231 et seq; MSA 4.1801(1) et seq, and section 2109 of the Michigan Banking Code of 1999, as amended, MCL 487.12109; MSA 23.710(12109). Accordingly, except as otherwise indicated in this application, the contents of the application shall be disclosed to any person who properly requests an opportunity for inspection, examination, or copying.

## I. GENERAL INSTRUCTIONS

- A. The application for a license must be made in writing (ink or typed) to the Commissioner of the Office on the attached forms. If, after investigation, the Commissioner determines that the financial and business experience, character, and general fitness of the applicant, and of the applicant's officers, directors, members, and partners, meet the requirements of the Sale of Checks Act and reasonably warrant the belief that the applicant's business will be conducted honestly, fairly, equitably, carefully, and efficiently and in a manner commanding the confidence and trust of the community, the Commissioner shall issue to the applicant a license to engage in the business of selling and issuing checks subject to the Sale of Checks Act.
- B. A license application will not be accepted if the required application fee, surety bond or irrevocable letter of credit, financial statement, etc. is not submitted with the application. A license application will not be accepted if the application contains whiteout.
- C. The Office will not accept an incomplete application. Complete responses to all questions will expedite the processing of the application. Do not leave any question blank - Enter "N/A" or "None" if not applicable.
- D. The application must be filed with original signatures where applicable.
- E. If the applicant is a Corporation, the resident agent and resident agent's address must agree with that on file with the Corporation and Land Development Bureau.
- F. A financial statement is required of all applicants, and must be completed in the applicant's name.
- G. An applicant that has issued shares of stock must reflect the number of shares issued on the enclosed balance sheet.
- H. The applicant may provide additional information in support of this application as deemed appropriate.

## II. STATUS OF APPLICANT

- A. The applicant must be identified as one of the following:

An individual doing business under his or her own name, an individual doing business under an assumed name or trade name, a limited partnership, a general partnership, an association, a Michigan corporation, or a foreign corporation.

- B. The financial and business experience, character, and general fitness of the applicant are considered during the processing of the application. If the applicant is operating in other states, the regulators in those states may be contacted to determine their experience with the applicant.
- C. If the applicant is a corporation subject to the disclosure requirements of the Securities Exchange Act, a copy of the most recent annual report filed with the Securities and Exchange Commission (Form 10-K) should be made a part of the application.

### III. ACCOMPANYING DOCUMENTS

- A. A Personal Disclosure Statement must be completed and submitted as part of the application. Each individual applicant, partner, member, officer, and director identified on page 2 of the application must submit individual Personal Disclosure Statements. The Confidential Background Information Consent Form must also be completed for each individual who submitted a Personal Disclosure Statement and *must be returned under separate cover* to the address shown on the consent form.
- B. If the applicant is an individual doing business under an assumed name, the application must be accompanied by a certificate executed by the County Clerk verifying compliance with the provisions of Act No. 101, Public Acts of 1907, as amended [MCL 445.1; MSA 19.821].
- C. If the applicant is a partnership, the application must be accompanied by a certificate executed by the County Clerk indicating compliance with the provisions of Act No. 164, Public Acts of 1913, as amended [MCL 449.101; MSA 20.111].
- D. If the applicant is a corporation which operates under an assumed name status, the application must be accompanied by a certificate executed by the Corporation and Land Development Bureau indicating compliance with the provisions of section 217 of Act No. 284, Public Acts of 1972, as amended [MCL 450.1217; MSA 21.200].
- E. If the applicant is a corporation, the application must be accompanied by a certified copy of a Board of Directors Resolution which authorizes submission of the application to the Commissioner of the Office of Financial and Insurance Services on behalf of the corporation. A sample resolution format is enclosed. (See page 7a of the application.)
- F. If the applicant has any additional licenses (real estate, residential builder, etc.), please enclose copies of these with the application.
- G. If the applicant is a corporation, please complete the Affidavit of Official Signing of Application. (See page 8a of the application.)

### IV. NET WORTH REQUIREMENTS

Each applicant shall submit financial statements, satisfactory to the Commissioner, showing that the applicant's net worth exceeds \$100,000.

## V. SURETY BOND/IRREVOCABLE LETTER OF CREDIT

- A. Each applicant must submit a surety bond issued by a bonding company or insurance company authorized to do business in this state, **or** an irrevocable letter of credit upon which the applicant is the obligor, which expires no earlier than the date the license expires, and which is issued by a state or federal bank, credit union, or savings and loan association insured by an agency of the federal government.
- B. The bond or letter of credit shall be in the principal sum of \$100,000 and in an additional principal sum of \$3,000 for each office and for each agency of the applicant in this state at which the business is to be conducted, but in no event shall the bond or letter of credit be required to be in excess of \$250,000.

## VI. FEES

- A. Application fee

This fee is non-refundable and is required from all applicants making an initial application for a license.

- B. License fee

**This fee must be paid within 5 days of the issuance of a license**, and annually thereafter on or before March 1 of each year.

## VII. Mail your check, payable to the State of Michigan, and the complete application to:

Division of Financial Institutions  
ATTN: Licensing and Enforcement  
P. O. Box 30224  
Lansing, MI 48909

If using overnight mail, federal express, etc., mail your check, payable to the State of Michigan, and the completed application to:

Division of Financial Institutions  
ATTN: Licensing and Enforcement  
333 S. Capitol Avenue, Suite A  
Lansing, MI 48933

Questions pertaining to the completion of this license application may be directed to the Division's Licensing and Enforcement at (517) 373-3460.

Office of Financial and Insurance  
Services  
Division of Financial Institutions  
Licensing and Enforcement

# Application for Sale of Checks Act License

Authorized by: Sale of Checks  
Act, Act No. 136 of the Public  
Acts of 1960, as amended.  
Required for license under the  
Sale of Checks Act.

Please read and refer to the accompanying instructions before completing this application.

Name (Corporation, Partnership, Sole Proprietorship, or Individual). Include DBA name(s), if applicable.		
Street Address		
City	State	Zip Code
County	Telephone No. (       )	Facsimile No.
Federal Taxpayer I.D. No.	State Where Organized	
Date of Organization	Date admitted into Michigan, if Foreign Corporation or Association	
Name of Michigan Resident Agent	Address of Michigan Resident Agent	
Name of state(s) other than Michigan where the applicant or its affiliates engage in the business of selling and issuing checks.		

## STATUS OF APPLICANT: (Check appropriate box)

- |                                                                                      |                                                    |                                                    |
|--------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> An individual doing business<br>under own name              | <input type="checkbox"/> A limited partnership     | <input type="checkbox"/> A joint stock association |
| <input type="checkbox"/> An individual doing business<br>under an assumed/trade name | <input type="checkbox"/> A general partnership     | <input type="checkbox"/> An association            |
| <input type="checkbox"/> A corporation<br>Michigan Corporate I.D. # _____            | <input type="checkbox"/> Other<br>(describe) _____ |                                                    |

If applicant is other than an individual, list the names of all partners, members, officers, and directors of the firm, co-partnership or association. "Officers" means chief executive and/or operating officer, president, executive or senior vice president, secretary and treasurer. (If more space is required, please attach additional sheets as necessary.)

Officer's Name	Business Address (Street, City, State, Zip Code)
CEO	
President	
Vice President	
Secretary	
Treasurer	

Director's Name	Business Address (Street, City, State, Zip Code)

Are all Officers, Directors, etc. and their titles, listed above or on a sheet attached to this application? \_\_\_\_\_

## ALL APPLICANTS MUST COMPLETE A FINANCIAL STATEMENT

FINANCIAL STATEMENT AS OF \_\_\_\_\_  
month/day/year

Applicant Name \_\_\_\_\_

Fiscal Year-end of Applicant \_\_\_\_\_

## ASSETS

Cash on Hand and in Banks \$ \_\_\_\_\_

Notes Receivable \*\* \_\_\_\_\_

Accounts Receivable \*\* \_\_\_\_\_

Mortgage Loans and Contracts Receivable \_\_\_\_\_

Stocks, Bonds and Other Investments \*\* \_\_\_\_\_

Furniture, Fixtures and Equipment \_\_\_\_\_

Real Estate and Buildings \*\* \_\_\_\_\_

Other Assets \*\* \_\_\_\_\_

TOTAL ASSETS \$ \_\_\_\_\_

## LIABILITIES AND NET WORTH

Notes Payable \$ \_\_\_\_\_

Accounts Payable \_\_\_\_\_

Contracts and Mortgages Payable \*\* \_\_\_\_\_

Other Liabilities \*\* \_\_\_\_\_

TOTAL \$ \_\_\_\_\_

## LIABILITIES

Capital Stock \$ \_\_\_\_\_

Capital Surplus \_\_\_\_\_

Retained Earnings \_\_\_\_\_

TOTAL NET WORTH

TOTAL LIABILITIES AND NET WORTH \$ \_\_\_\_\_

\*\* Detail these items on a separate, attached page (s).





**DESIGNATED CORRESPONDENT** (Responsible for responding to questions relating to this application)

Name		Title	
Street Address		City	
State	Zip Code	Telephone No. (       )	

**LOCATION OF THE PRINCIPAL U.S. OFFICE OF THE APPLICANT**

Name		Telephone No. (       )	
Street Address		City	
County	State	Zip Code	

**LOCATION OF THE PRINCIPAL MICHIGAN OFFICE OF THE APPLICANT**

Name		Telephone No. (       )	
Street Address		City	
County	State	Zip Code	

**INDIVIDUAL RESPONSIBLE FOR THE MICHIGAN OPERATIONS OF THE APPLICANT**

Name		Title	
Street Address		City	
State	Zip Code	Telephone No. (       )	

**LOCATION WHERE OFFICIAL BOOKS AND RECORDS OF THE APPLICANT ARE KEPT**

(If location is different than applicant address, please attach an explanation.)

Name		Telephone No. (       )	
Street Address		City	
County	State	Zip Code	

# Certification

I hereby certify that the foregoing APPLICATION is true and correct to the best of my knowledge and belief.  
I understand that omissions or inaccuracies may result in denial of the APPLICATION.

Authorized Signature	Title
----------------------	-------

STATE OF ( \_\_\_\_\_ )

**SS**

COUNTY OF ( \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, a Notary Public in and  
for said County personally appeared \_\_\_\_\_ \*

known to me to be said person named in and who executed the foregoing application and made oath that the  
statements and representations set forth herein are true to the best of his/her knowledge and belief.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My Commission Expires

\* Type or print name of person appearing before notary.

# Certificate of Resolution

## CORPORATE BOARD OF DIRECTORS

(For corporate applicants only)

*Resolution MUST be completed in applicant's full name, including DBA name(s), if applicable.*

This is to certify that at a \_\_\_\_\_ meeting of the Board of Directors of \_\_\_\_\_  
Regular or Special  
\_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_  
Applicant Name  
\_\_\_\_\_, held at the office of said corporation at \_\_\_\_\_ of \_\_\_\_\_  
City, Village, or Twp.  
\_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_  
on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the following resolution was duly  
and legally presented and adopted by majority vote of the Board, to wit:

It being the desire and purpose of the Board of Directors of \_\_\_\_\_  
Applicant Name  
that this corporation should take steps to be licensed under the provisions of Act No. 136 of the Public Acts  
of 1960, as amended.

BE IT RESOLVED, that \_\_\_\_\_ as \_\_\_\_\_  
NameTitle  
of this corporation, and in his/her official capacity is hereby authorized and directed to prepare, execute,  
verify, and present to the proper state authorities of the State of Michigan, and for and on behalf of said  
\_\_\_\_\_, written application under the provisions  
Applicant Name  
of Act No. 136 of the Public Acts of 1960, as amended, authorizing the conducting of said business under  
Act No. 136 of the Public Acts of 1960, as amended, by this corporation and to do all acts and perform all  
necessary legal requirements on behalf of said corporation to procure the same.

Authorized Signature	Title	Date

# Certificate of Resolution

(For general partnership applicants only)

*Resolution MUST be completed in applicant's full name, including DBA name(s), if applicable.*

This is to certify that at a \_\_\_\_\_ meeting of the Partners of \_\_\_\_\_  
Regular or Special  
 \_\_\_\_\_, a general partnership organized under the laws of the  
Applicant Name  
 the State of \_\_\_\_\_, held at the office of said corporation at \_\_\_\_\_ of  
City, Village, or Twp.  
 \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_  
 on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the following resolution was duly  
 and legally presented and adopted by majority vote of the Partners, to wit:

It being the desire and purpose of the Partners of \_\_\_\_\_  
Applicant Name  
 that this general partnership should take steps to be licensed under the provisions of Act No. 136 of the Public  
 Acts of 1960, as amended.

BE IT RESOLVED, that \_\_\_\_\_ as \_\_\_\_\_  
Name Title  
 of this general partnership, and in his/her official capacity is hereby authorized and directed to prepare,  
 execute, verify, and present to the proper state authorities of the State of Michigan, and for and on behalf  
 of said \_\_\_\_\_, written application under the provisions  
Applicant Name  
 of Act No. 136 of the Public Acts of 1960, as amended, authorizing the conducting of said business under  
 Act No. 136 of the Public Acts of 1960, as amended, by this general partnership and to do all acts and  
 perform all necessary legal requirements on behalf of said general partnership to procure the same.

Authorized Signature

Title

Date

# Certificate of Resolution

## CORPORATE BOARD OF DIRECTORS OF THE GENERAL PARTNER

(For limited partnership applicants only)

*Resolution MUST be completed in applicant's full name, including DBA name(s), if applicable.*

This is to certify that a \_\_\_\_\_ meeting of the Board of Directors of \_\_\_\_\_  
Regular or Special  
 \_\_\_\_\_, a limited partnership organized under the laws of the State of \_\_\_\_\_  
Applicant Name  
 \_\_\_\_\_, held at the office of said limited partnership at \_\_\_\_\_ of \_\_\_\_\_  
City, Village, or Twp.  
 \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_  
 on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the following resolution was duly  
 and legally presented and adopted by majority vote of the Board, to wit:

It being the desire and purpose of the Board of Directors of \_\_\_\_\_  
General Name  
 a general partner of \_\_\_\_\_ that this limited partnership  
Applicant Name  
 should take steps to engage in business under the provisions of Act No. 136 of the Public Acts of 1960, as amended.

BE IT RESOLVED, that \_\_\_\_\_ as \_\_\_\_\_  
Name Title  
 of this limited partnership, and in his/her official capacity is hereby authorized and directed to prepare, execute, verify, and present to the proper state authorities of the State of Michigan, and for and on behalf of said \_\_\_\_\_, written application under the provisions  
Applicant Name  
 of Act No. 136 of the Public Acts of 1960, as amended, authorizing the conducting of said business under Act No. 136 of the Public Acts of 1960, as amended, by this limited partnership and to do all acts and to perform all necessary legal requirements on behalf of said limited partnership to procure the same.

Authorized Signature

Title

Date

# Affidavit

## Official Signing of Application

(For corporate applicants only)

I, \_\_\_\_\_ of

Name and Title of Official

\_\_\_\_\_  
Applicant Name

a corporation organized in the State of \_\_\_\_\_, do hereby declare that I am duly authorized to file the foregoing application and that the statements and representations set forth therein are true to the best of my knowledge and belief.

Authorized Signature

Title

STATE OF ( \_\_\_\_\_ )

**SS**

COUNTY OF ( \_\_\_\_\_ )

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My Commission Expires

# Affidavit

## Official Signing of Application

(For general partnership applicants only)

I, \_\_\_\_\_ of

Name and Title of Official

\_\_\_\_\_  
Applicant Name

a general partnership organized in the State of \_\_\_\_\_, do hereby declare that I am duly authorized to file the foregoing application and that the statements and representations set forth therein are true to the best of my knowledge and belief.

Authorized Signature

Title

STATE OF ( \_\_\_\_\_ )

**SS**

COUNTY OF ( \_\_\_\_\_ )

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My Commission Expires

# Affidavit

## Official Signing of Application

(For limited partnership applicants only)

I, \_\_\_\_\_ of

Name and Title of Official

\_\_\_\_\_  
Applicant Name

a limited partnership organized in the State of \_\_\_\_\_, do hereby declare that I am duly authorized to file the foregoing application and that the statements and representations set forth therein are true to the best of my knowledge and belief.

Authorized Signature

Title

STATE OF ( \_\_\_\_\_ )

**SS**

COUNTY OF ( \_\_\_\_\_ )

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My Commission Expires



If the applicant is an individual, please complete the information below and on the next three pages for the individual. If the applicant is other than an individual, complete the information below and on the next three pages for all partners, members, officers, directors, identified on page 2 of this application

**BUSINESS AFFILIATIONS** – List all firms, companies, corporations, or other business organizations of which you are at present a director, officer, employee, partner, member, owner, or affiliate.

Name and Location of Business	Type of Business	Position Held

# Personal Disclosure Statement

**BUSINESS EXPERIENCE/EMPLOYMENT RECORD DURING THE PAST 10 YEARS:**

This is to include details of all gaps in employment, such as attending school, any leaves of absence, unemployment, etc.

Date		Name and Location of Business	Type of Business	Position Held
From	To			

Section 8 of Act No. 136 of the Public Acts of 1960, as amended, requires the Commissioner to evaluate the applicant's experience in the licensed area. Please describe below the experiences that helped to qualify you to work in the sale of checks industry. Attach additional pages as necessary.

[illegible]

# Personal Disclosure Statement

Please reply to the following questions:	YES	NO
Have you now or have you ever been an officer, director, partner, member, or employee of any currency exchange, money order agency or any bank, savings and loan association or credit union? If yes, please detail on a separate page.		
Have you ever been adjudged as bankrupt or had to work out a compromise with your creditors? If yes, please detail on a separate page.		
Have you ever been subject to any adverse administrative action with respect to any professional license you hold or have held, including those involving any business or enterprise with which you have been associated as a partner, member, officer, director, shareholder (owning 5% or more of the outstanding voting stock), or affiliate? If yes, please detail on a separate page.		
Has any business or enterprise with which you are or were associated as a partner, officer, director, major shareholder (owning 5% or more of the outstanding voting stock), or affiliate ever been convicted of any criminal matter involving dishonesty, fraud, or breach of trust? If yes, please detail on a separate page.		
Is there any pending civil litigation of any nature in which you are involved as the defendant? If yes, please detail on a separate page.		
Have you ever been convicted of, or pleaded no contest to, any civil or criminal offense? If yes, please detail on a separate page.		

## Certification

I hereby certify that the foregoing Personal Disclosure Statement is true and correct to the best of my knowledge and belief. I understand that omissions or inaccuracies may result in denial of the application.

Authorized Signature	Title	Date

Please complete and submit the confidential background information consent form on the following page and return it ***under separate cover*** to the Division of Financial Institutions

# Confidential Background Information Consent Form

By signing this Consent, I understand and agree to the following:

The following information about me is necessary to assist the Division of Financial Institutions in evaluating the application of \_\_\_\_\_ (Applicant). The information will be used to evaluate, among other things, my financial responsibility, financial and business experience, character and general fitness as legally required by section 8 of Act No. 136 of the Public Acts of 1960, as amended.

I understand that omissions or inaccuracies in completing the APPLICATION may result in denial of the APPLICATION. The Office may also conduct an independent investigation of me which may include, but not be limited to, contacting federal and state law enforcement agencies, other governmental agencies, and credit reporting agencies. If any information the Office receives indicates a violation of law, the information will be shared with any agency responsible for investigating or prosecuting the violation.

If information about me would warrant denial of the APPLICATION, the Office will give the Applicant, through the person designated for contact, notice of that fact, including a statement of the statutory and factual basis which would warrant denial and the Applicant's rights in respect thereto.

Full Name (Please Print)	Home Telephone No. (       )		
Residence Address (Including City, State, and Zip Code)	Date of Birth	Sex	Race
Driver's License No.	Social Security No.		
Other names by which I am now known or have used in the past.			
Other name(s) and social security number(s) under which income tax information is filed, if applicable.			

Authorized Signature	Date
----------------------	------

Please return this Consent form ***under separate cover*** to:

Department of Consumer & Industry Services  
Division of Financial Institutions  
Licensing and Enforcement  
P.O. Box 30224  
Lansing, MI 48909

Bond No. \_\_\_\_\_

# Bond

## SALE OF CHECKS

KNOW ALL PERSONS BY THESE PRESENTS, That \_\_\_\_\_  
 of \_\_\_\_\_, State of \_\_\_\_\_  
 \_\_\_\_\_ as PRINCIPAL and \_\_\_\_\_  
 of \_\_\_\_\_ as SURETY are held and firmly  
 bound unto the Commissioner, Office of Financial and Insurance Services, Department of Consumer &  
 Industry Services of the State of Michigan, for the benefit of any creditors of or claimants against said  
 Principal in the sum of \$ \_\_\_\_\_, for the payment of which, well and truly to be  
 made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally,  
 firmly by these presents.

Whereas, the said Principal has been or is about to be licensed to engage in the business of selling or issuing  
 checks under the provisions of Act No. 136 of the Public Acts of 1960, as amended, now, therefore, the  
 condition of this bond is such, as a licensee under said Act No. 136 of the Public Acts of 1960, as amended,  
 then this bond shall be null and void, otherwise it shall remain in full force and effect.

This bond is intended by the Principal, the Obligee and the Surety herein to cover all the necessary  
 requirements as bond for a licensed seller of checks and to be for the benefit and the purposes set forth in  
 section 7 of Act No. 136 of the Public Acts of 1960, as amended.

This bond shall be effective \_\_\_\_\_, \_\_\_\_\_ and shall be in force for the term  
 ending March 1, \_\_\_\_\_. This bond may be continued in force for an additional term or terms by  
 suitable continuation certificates executed by the surety with the approval of the Commissioner, pursuant to  
 such regulations as may hereafter be provided.

IN WITNESS WHEREOF, the Principal and Surety have signed and sealed this \_\_\_\_\_,  
 \_\_\_\_\_.

\_\_\_\_\_  
 (L.S.)

\_\_\_\_\_  
 (L.S.)

IN PRESENCE OF:

Principal

\_\_\_\_\_  
 (L.S.)

\_\_\_\_\_  
 (L.S.)

Surety

# Specimen Letter of Credit

To be used under Act No. 136 of the Public Acts of 1960, as amended.

IRREVOCABLE STANDBY LETTER OF CREDIT NO. \_\_\_\_\_

Michigan Department of Consumer & Industry Services  
Commissioner of the Office of Financial and Insurance Services  
333 South Capitol Avenue, Suite A  
P.O. Box 30224  
Lansing, MI 48909

Commissioner:

We hereby establish our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ in your favor for the account of \_\_\_\_\_ (the "Account Party") up to the aggregate amount of U.S. \_\_\_\_\_.

The credit amount is available to you by your draft(s) on us at sight when accompanied by your signed and dated statement reading as follows:

"The undersigned (the "Commissioner") hereby demands the sum of (specify) under (name of issuing bank) (the "Issuing Bank") Irrevocable Letter of Credit No. (specify) (the "Credit"), issued for the account of (name of sale of checks licensee) (the "Account Party"), as evidenced by the sight draft accompanying this statement, and certifies that one or more of the following has occurred:

1. The Account Party, at the sole determination of the Commissioner has not conducted business in accordance with Act No. 136 of the Public Acts of 1960, as amended.
2. The Account Party, at the sole determination of the Commissioner, has not conducted business in accordance with a rule promulgated by the Commissioner, pursuant to Act No. 136 of the Public Acts of 1960, as amended.
3. The Account Party, at the sole determination of the Commissioner, has not paid money as such money has come due.
4. The Commissioner has been notified by the Issuing Bank that it has elected not to extend the expiration date of the Credit, and the Account Party has failed to provide a replacement letter of credit or other proof of financial responsibility specified under Act No. 136 of the Public Acts of 1960, as amended, fully acceptable to the Commissioner, at least sixty (60) days prior to the current expiry of the Credit."

# Specimen Letter of Credit

Drafts must be presented at our office at \_\_\_\_\_  
no later than March 1, \_\_\_\_\_.

All drafts must be marked: "Drawn under Irrevocable Standby Letter of Credit No. \_\_\_\_\_,  
dated \_\_\_\_\_, \_\_\_\_\_."

It is a condition of the Letter of Credit that it be automatically extended for a period of one year from its present or future expiration date unless we notify you in writing by registered mail at least ninety (90) days prior to such date that we elect not to extend the expiration of this Letter of Credit for such additional period.

We hereby agree with you that drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation.

This credit is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication 500.

Sincerely,

\_\_\_\_\_  
Authorized Signature

## Additional Offices Proposed Under The Sale Of Checks Act

Please list below the names and office locations for each agency of the applicant in this state at which the business of the sale of checks is to be conducted. Also, please verify that an additional surety bond amount of \$3,000 up to an aggregate surety bond amount of \$250,000 is provided for each agency.

[illegible]